# GOVERNMENT OF INDIA
# AGRICULTURE
# LOK SABHA

UNSTARRED QUESTION NO:1258
ANSWERED ON:27.10.2008
FINANCIAL ASSISTANCE FOR AGRICULTURAL INFRASTRUCTURE
Ajnala Dr. Rattan Singh;Dhindsa Shri Sukhdev Singh;Rathod Shri Harisingh Nasaru

**Will the Minister of AGRICULTURE be pleased to state:**

(a) whether the Union Government has provided financial assistance to States including Punjab and Maharashtra for the development and upgradation of agricultural infrastructure; and

(b) if so, the details thereof during the last three years and the current year, Statewise?

## Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE(SHRI KANTI LAL BHURIA)

(a): Yes, Sir.

(b): The Ministry of Agriculture has provided financial assistance to the State Governments of Punjab and Maharashtra for the development and upgradation of agricultural infrastructure under the following schemes. The details of the financial assistance released to the States including the State Governments of Punjab and Maharashtra during the last three years and the current year is given in the enclosed Annexure-I.

(i) Marketing infrastructure also includes infrastructure created for development of market information system in the country. The Ministry of Agriculture is implementing a Central Sector Scheme of Marketing Research and Information Network (AGMARKNET). The aim of the scheme is to collect and disseminate price and market related information in respect of different agricultural commodities to the farmers and to provide funds for taking up various market led extension activities. Under the scheme, the funds are released to the States implementing agencies for undertaking market-led extension activities based on the proposals received from them.

(ii) The Ministry of Agriculture is also implementing a Central Sector Scheme for "Development/Strengthening of Agricultural Marketing Infrastructure, Grading and Standardization". Under the scheme, investment subsidy is provided @ 25% on the capital

cost of the marketing infrastructure development project for each project in all States and @ 33.3% of capital cost for each project in case of North Eastern States, hilly areas and to Scheduled Castes/ Scheduled Tribes entrepreneurs. In respect of infrastructure projects of State Governments/ State Agencies, there is no upper ceiling on subsidy to be provided under the scheme. The scheme is reform linked, to be implemented in those States/ Union Territories wherein the law dealing with agriculture markets (Agricultural Produce Marketing Regulation Act) allows setting up of competitive agricultural markets in private and cooperatives sectors, direct marketing and contract farming.

(iii) The Ministry is also implementing Central Sector Scheme, "Development and Strengthening of Infrastructure facilities for production and distribution of quality seeds on all India basis including the States of Punjab and Maharashtra. The objective of the scheme is to develop and strengthen the existing infrastructure for the production and distribution of quality seeds.

(iv) Under the Centrally Sponsored Scheme on National Horticulture Mission (NHM), financial assistance is provided for taking up various activities related to horticulture including fruits and vegetables such as production of planting material, area coverage, rejuvenation/replanting of senile orchards, protected cultivation, organic farming, promotion of Integrated Nutrient Management/ Integrated Pest Management, Development of Post Harvest Management and Marketing Infrastructure etc.

For the production of fruits and vegetables, assistance is provided to farmers only and not to the corporate sector. For the development of Post Harvest Management and Marketing Infrastructure, subsidy @ 25% of capital cost of the project is available to both public and private sector enterprises. The subsidy for the private sector is credit linked and back-ended. Under NHM, assistance is available for establishment of Rural Primary Markets, Whole Sale Markets and Terminal Markets.

(v) The Ministry of Agriculture has also launched the Centrally Sponsored Scheme on Technology Mission for Integrated Development of Horticulture in North Eastern States, Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttaranchal. Technology Mission on Horticulture is being implemented in a mission mode with an end-to-end approach which includes development and introduction of high yielding varieties and technologies, expansion of area, post harvest handling and management, marketing, value addition and processing of horticultural produce with following four Mini Missions on Research, Production and Productivity, Post-harvest Management and Marketing and Processing Coordination.